

The Electronic Transactions Association's 2025 Canadian Public Policy Priorities

The digital payments industry is one of the most innovative, dynamic, competitive, highly regulated industries that exists. By leveraging a sophisticated, interconnected infrastructure to deliver financial products and services, all participants in the Canadian economy benefit from the sector's cutting-edge offerings. These products and services are safe, highly secure, and promote financial inclusion by allowing consumers and small businesses – including low-and-moderate income consumers who have historically not had full access to the financial system — to conduct their everyday financial transactions.

ETA supports a policy environment that protects consumers while allowing competition and innovation to thrive, providing increased choice and making financial inclusion a reality.

Artificial Intelligence in Payments – Artificial intelligence represents a transformative force in Canada's payments landscape, fundamentally reshaping how financial institutions detect fraud, manage risk, and enhance customer experience. As the payments industry continues to evolve, AI integration has become essential for maintaining system integrity while supporting innovation in open banking and real-time payments. Recognizing that ETA members' AI deployment is fully compliant with existing laws and regulations, ETA supports an approach that is technology agnostic, principles-based, and based on industry-led standards.

This approach will strike a balance in promoting innovation, protecting consumers, advancing Canadian economic and national security interests, and ensuring the continued development of secure and inclusive financial services. Additionally, ETA believes it is crucial for policymakers to work with industry experts and stakeholders to establish common definitions and understanding of key AI terms to ensure clarity and consistency of AI technologies.

Interchange – Interchange fees serve as a fundamental mechanism supporting payment system infrastructure, security measures, and consumer benefits. These fees fund essential services including encryption technologies, secure data transmission protocols, and authentication methods such as EMV chip technology and tokenization, significantly reducing data breach risks and card counterfeiting.

ETA advocates for a comprehensive approach to interchange policy that considers system infrastructure funding, consumer benefits including rewards programs and interest-free grace periods, merchant value proposition through increased sales and operational efficiencies, and potential market impacts. Experience from other jurisdictions suggests that strict interchange regulation can lead to unintended consequences such as reduced credit availability, increased consumer fees, and diminished card benefits.

Fraud Prevention and Detection – The payments industry deploys sophisticated anti-fraud measures to protect consumers and the financial system. ETA members employ multi-layered security approaches combining advanced artificial intelligence with traditional safeguards. These systems process millions of transactions in real-time, identifying suspicious patterns while minimizing false positives that could inconvenience legitimate consumers.



ETA advocates for regulatory frameworks that support continued innovation in fraud prevention. This includes preserving the ability to use data for fraud prevention purposes while protecting consumer information.

Privacy – Protecting consumer privacy is a crucial element of maintaining trust in the payments industry. The payments industry has a long history of protecting consumer privacy. The industry also is laser-focused on fighting fraud and is constantly developing and deploying new technologies to detect and deter fraud.

Finally, we support the inclusion of data mobility provisions in the implementation of future privacy legislation.

Digital Assets – Digital assets have the potential to change how commerce happens. An appropriate regulatory framework is essential if that potential is to be realized in a manner that protects consumers and fosters continuing innovation. That framework should not be prescriptive but should instead carefully consider the use to which the digital assets are being put and tailor regulation to the risk profile presented.

Consumer-Driven Banking – Consumer-driven banking has transformative potential and could facilitate payments and benefit consumers by providing them with more robust information and insight into their finances.

Faster Payments – Faster payments create the potential for increased competition, the avoidance of late fees, and allow for better cash flow management.

ETA will work with Parliament, the Bank of Canada, and Payments Canada to move towards the successful implementation of Payment Canada's Real-Time Rail initiative. Priority actions to support this measure will include facilitating new participant access and collaborating on RPAA rules.

Efforts to help small businesses prepare to identify and repel cyberattacks – ETA supports:

Creating a tax incentive for compliant small businesses to purchase cyber-security insurance.